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Contra Aid Rejected by Two Panels

Votes Are First Test Of House Sentiment On Reagan Proposal

By Joanne Omang Washington Post Staff Writer

Two House panels yesterday rejected President Reagan's request for \$100 million in aid to the Nicaraguan contras, even as the president warned that final rejection could mean "a sea of red, eventually lapping at our own borders."

The House Permanent Select Committee on Intelligence voted 9 to 7 against the aid package, which would include \$30 million in non-military aid and \$70 million in covert military aid to be handled through the Central Intelligence Agency and the Defense Department. About one hour later, the House Foreign Affairs subcommittee on Western Hemisphere affairs rejected the measure 8 to 5 along party lines.

The votes were the first test of House sentiment on the contra aid proposal, which is moving quickly through four committees toward a final vote in the Democratic-controlled House. Speaker Thomas P. (Tip) O'Neill Jr. (D-Mass.) yesterday scheduled that for March 19, and a Senate vote is also expected that week.

White House deputy press secretary Edward Djerejian, asked his response to the vote, said, "The opera isn't over until the fat lady sings."

Regardless of the outcome in the House, which is widely expected to reject the Reagan proposal, the issue will likely remain active on Capitol Hill as moderates seek a compromise.

Speaking to a gathering of presidents of Jewish groups, Reagan called the contra leaders "the moral

descendants of men at ... Valley Forge." He said they "can win this battle for freedom on their own" without U.S. troops if the \$100 million aid request is provided.

"We send money and material now so we'll never have to send our own American boys," Reagan said. "If we don't want to see the map of Central America covered in a sea of red, eventually lapping at our own borders, we must act now."

If members of Congress "hide their heads in the sand and pretend the strategic threat in Nicaragua will go away, they are courting disaster, and history will hold them accountable," Reagan said.

Rep. Dan Daniel (Va.) was the only Democrat on the House intelligence committee to vote in favor of the aid package.

Following the closed vote, Rep. Robert L. Livingston (R-La.) said, "I can't say I'm very surprised. The outcome makes it painfully apparent that it's national Democratic [party] policy to do whatever they can to obstruct the president's policy in Nicaragua."

Rep. Tony Coelho (D-Calif.), chairman of the Democratic Congressional Campaign Committee, denounced the administration's remarks as "red-baiting" and said they would have no effect on public sentiment.

"The White House is trying to specific Democrats into believing that a tote against military aid is political suicide," he said. "We can deal a real blow to the White House by ignoring their red-baiting and winning this when it comes to the vote."

Earlier in the day, House Democrats signaled their negative mood on the issue in a report that criticized Reagan's overall Central America policy as a failure.

"Instead of bringing peace, democracy and economic renewal, it has led us into a quagmire," Rep. Mel Levine (D-Calif.), chairman of the Democratic Caucus Task Force on Central America, told a news conference.

"It is a policy based upon myth and not reality. The president's policy leads to increasing military activity and its logical result will be direct American military involvement in Nicaragua," Levine said. The Democrats' paper rejected military action in the region in favor of diplomatic negotiations with individual nations and with regional organizations such as the four-nation Contadora group attempting to mediate the issue.

In identical statements yesterday, the White House and State Department sought to associate the Reagan administration with negotiation efforts by President Jose Napoleon Duarte of El Salvador. Duarte has proposed a "two-track" effort that would parallel his government's talks with leftist Salvadoran rebels and Nicaraguan government talks with the contras.

The administration has proposed a similar two-track effort from the U.S. end, offering to reopen bilateral talks with the Nicaraguan government if it goes to the table with the contras.

Duarte's offer "creates an opportunity to begin simultaneously three parallel sets of talks aimed at peace and national reconciliation," the administration statement said. It asked other Latin American nations to back this approach.

Earlier, Defense Secretary Caspar W. Weinberger and Elliott Abrams, assistant secretary of state for inter-American affairs, were questioned by House Armed Services Committee members about lack of vocal Latin support for U.S. policy in Nicaragua.

"I wouldn't expect endorsements from Nicaragua's neighbors, which are threatened by Nicaragua," Weinberger said. "But we know they support us." Abrams told the House Foreign Affairs subcommittee later that "some of them are politicians . . . who say one thing publicly and another thing privately."

Weinberger said he could not guarantee that the \$100 million program will achieve U.S. objectives in Nicaragua. "But if we do not do this, we will have an infinitely more expensive task, not just in terms of money but of American lives," he said.

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Responding to General Accounting Office criticism that auditing practices for existing contra aid leave the aid's final use uncertain, Weinberger said the funds "will get to their intended purpose.

"It's a little hard for GAO auditors to wander into Nicaragua and give us a line-by-line nice high school accounting of where every shoe went," he said.

Despite some sharp criticism from Rep. Ronald V. Dellums (D-Calif.), who called the new aid request "illegal, immoral and insane," and from Rep. Patricia Schroeder (D-Colo.), who said it came from "never-never land," the full House Armed Services Committee is expected to approve the contra aid today.

Staff writers Lou Cannon and Milton Coleman contributed to this report.